

Michael D. O'Brien, OSB 95105  
Theodore J. Piteo, OSB 090311  
Michael D. O'Brien & Associates, P.C.  
12909 SW 68<sup>th</sup> Pkwy, Suite 160  
Portland, OR 97223  
(503) 786-3800

Lowell & Sons, LLC, Debtor-in-possession.

IN THE BANKRUPTCY COURT OF THE UNITED STATES  
FOR THE DISTRICT OF OREGON

In re:	)	Case No. 16-33707-tmb11
	)	
Lowell & Sons, LLC	)	APPLICATION FOR EMPLOYMENT
	)	OF ATTORNEYS FOR DEBTOR IN
	)	POSSESSION
Debtor-in-possession.	)	

Pursuant to 11 USC §327 of the U.S. Bankruptcy Code (“the Code”) Lowell & Sons, LLC, debtor-in-possession (hereafter “Debtor”), hereby applies to the Court for an order approving the employment of Michael D. O’Brien & Associates P.C. as its counsel. In support of this application, Debtor represents as follows:

- 1) Debtor is not sufficiently familiar with the rights and duties of the debtor in possession in this case to represent itself without the aid of competent legal counsel.
- 2) Debtor wishes to employ the law firm of Michael D. O’Brien & Associates P.C., Attorneys at Law, 12909 SW 68<sup>th</sup> Pkwy, Suite 160, Portland, OR 97223, and particularly Theodore J. Piteo as its attorney of record.

- 3) Debtor desires that Michael D. O'Brien & Associates P.C. represent it for all purposes related to the petition for relief including, among other things, negotiating financing orders, obtaining authorization for use of cash collateral, reviewing and evaluating the status and validity of secured claims, litigation implementing their avoidance powers and formulating a disclosure statement and plan of reorganization.
- 4) Debtor wishes to have Michael D. O'Brien & Associates P.C. compensated by the estate for their attorney fees at its usual and customary hourly rates and reimburse its reasonable and necessary costs incurred in connection with this case. Such compensation shall be subject to the approval of this Court and requests for compensation shall be in compliance with the Code and federal and local rules of bankruptcy procedure. The names, initials, and current billing rates of the individuals, who are expected to perform work on this case are as follows and pursuant to the fee agreement I signed the respective hourly rates are subject to reasonable annual increases on or about January 1<sup>st</sup> of each year:
- a) Michael D. O'Brien, MDO, Partner - \$355.00/hour
  - b) Theodore J. Piteo, TJP, Associate Attorney - \$300.00/hour
  - c) Hugo Zollman, HZ, Senior Paralegal - \$170.00/hour
- 5) Lowell & Sons, LLC paid \$3,000 to Michael D. O'Brien & Associates, P.C. in August 2016 for preliminary bankruptcy planning work. Lowell & Sons, LLC, paid an additional \$12,000 to Michael D. O'Brien & Associates P.C immediately prior to filing. From these amounts the sum of \$1,717.00 was paid to the USBC for a filing fee, and \$13,283 is earned on receipt subject to ultimate court approval under 11 U.S.C. §329 and §330 or court ordered disgorgement.

- 6) To the best of the Debtor's knowledge, the partners and associates of Michael D. O'Brien & Associates P.C. do not have any connection with Debtor's creditors, any other party in interest, or their respective attorneys or accountants except as stated in the Rule 2014 Verified Statement of Proposed Professional submitted with this application.
- 7) Debtor has signed a Retainer Agreement with Michael D. O'Brien & Associates P.C. that is attached to this Application and the Verified Statement filed herewith.

Dated this 22nd day of September, 2016.

Respectfully Submitted By:

/s/ Lorena Lowell, Manager  
By: Lorena Lowell, Manager, Lowell & Sons, LLC Debtor-in-Possession

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF OREGON

In re )  
 ) Case No. \_\_\_\_\_  
 )  
 )  
Debtor(s) ) RULE 2014 VERIFIED STATEMENT  
 ) FOR PROPOSED PROFESSIONAL

**Note:** To file an amended version of this statement per ¶19, file a fully completed amended Rule 2014 statement on LBF #1114 and clearly identify any changes from the previous filed version.

1. The applicant is not a creditor of the debtor except:
2. The applicant is not an equity security holder of the debtor.
3. The applicant is not a relative of the individual debtor.
4. The applicant is not a relative of a general partner of the debtor (whether the debtor is an individual, corporation, or partnership).
5. The applicant is not a partnership in which the debtor (as an individual, corporation, or partnership) is a general partner.
6. The applicant is not a general partner of the debtor (whether debtor is an individual, corporation, or partnership).
7. The applicant is not a corporation of which the debtor is a director, officer, or person in control.
8. The applicant is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of the debtor.
9. The applicant is not a person in control of the debtor.
10. The applicant is not a relative of a director, officer or person in control of the debtor.
11. The applicant is not the managing agent of the debtor.
12. The applicant is not and was not an investment banker for any outstanding security of the debtor; has not been, within three years before the date of the filing of the petition, an investment banker for a security of the debtor, or an attorney for such an investment banker in connection with the offer, sale, or issuance of a security of the debtor; and is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of such an investment banker.
13. The applicant has read 11 U.S.C. §101(14) and §327, and FRBP 2014(a); and the applicant's firm has no connections with the debtor(s), creditors, any party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee, or any District of Oregon Bankruptcy Judge, except as follows:

14. The applicant has no interest materially adverse to the interest of the estate or of any class of creditors or equity security holders.
15. Describe details of all payments made to you by either the debtor or a third party for any services rendered on the debtor's behalf within a year prior to filing of this case:
16. The debtor has the following affiliates (as defined by 11 U.S.C. §101(2)). Please list and explain the relationship between the debtor and the affiliate:
17. The applicant is not an affiliate of the debtor.
18. Assuming any affiliate of the debtor is the debtor for purposes of statements 4-13, the statements continue to be true except (list all circumstances under which proposed counsel or counsel's law firm has represented any affiliate during the past 18 months; any position other than legal counsel which proposed counsel holds in either the affiliate, including corporate officer, director, or employee; and any amount owed by the affiliate to proposed counsel or its law firm at the time of filing, and amounts paid within 18 months before filing):
19. The applicant hereby acknowledges that he/she has a duty during the progress of the case to keep the court informed of any change in the statement of facts which appear in this verified statement. In the event that any such changes occur, the applicant immediately shall file with the court an amended verified statement on LBF #1114, with the caption reflecting that it is an amended Rule 2014 statement and any changes clearly identified.

THE FOLLOWING QUESTIONS NEED BE ANSWERED ONLY IF AFFILIATES HAVE BEEN LISTED IN STATEMENT 16.

20. List the name of any affiliate which has ever filed bankruptcy, the filing date, and court where filed:

21. List the names of any affiliates which have guaranteed debt of the debtor or whose debt the debtor has guaranteed. Also include the amount of the guarantee, the date of the guarantee, and whether any security interest was given to secure the guarantee. Only name those guarantees now outstanding or outstanding within the last 18 months:
22. List the names of any affiliates which have a debtor-creditor relationship with the debtor. Also include the amount and date of the loan, the amount of any repayments on the loan and the security, if any. Only name those loans now outstanding or paid off within the last 18 months:
23. List any security interest in any property granted by the debtor to secure any debts of any affiliate not covered in statements 20 and 21. List any security interest in any property granted by the affiliate to secure any debts of the debtor not covered in statements 21 and 22. Also include the collateral, the date and nature of the security interest, the name of the creditor to whom it was granted, and the current balance of the underlying debt:
24. List the name of any affiliate who is potentially a "responsible party" for unpaid taxes of the debtor under 26 U.S.C. §6672:

I verify that the above statements are true to the extent of my present knowledge and belief.

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Applicant

MICHAEL D. O'BRIEN & ASSOCIATES, PC  
ATTORNEY RETAINER AGREEMENT & FEE SCHEDULE  
(Hourly)

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***CLIENT DIRECTIONS: Please read this in its entirety and call us with any questions or discuss this with your other attorney, financial or personal advisors. Once your questions have all been answered, please initial in the bottom left corner of each page, check the appropriate box and fill in your email address at the bottom of page 4, sign and fill out the information at the bottom of page 5, then deliver this original form plus the financial retainer to our office.***

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This Retainer Agreement and Fee Schedule is entered into on August 4, 2016, between Michael D. O'Brien & Associates, PC (Firm) and Lowell & Sons, LLC (Client) at 12909 SW 68<sup>th</sup> Parkway, Suite 160, Portland, OR 97223 for legal services by and between the Firm and the Client. This agreement constitutes a binding legal contract and should be reviewed carefully.

**1. NATURE OF SERVICE TO BE RENDERED.**

The Client hereby retains the Firm to represent the Client as legal counsel in connection with the following matter(s):

***Analysis of financial situation and possible filing of Case under chapter 11 and general representation throughout chapter 11 reorganization bankruptcy proceeding, assistance with all duties required of the Debtor-in-possession.***

It is expressly understood that Client retains the Firm for the above-described representation only. This representation does not include or extend to any other representation, or appeal from any order or judgment, or any related proceeding before any other legal body, whether judicial, administrative, or legislative, unless specifically described above. With respect to the matter(s) which have been specified above, this Agreement and sums paid, do not cover any services relative to any appeal or any other services which might be required following the entry of a final judgment or order. The Firm's representation shall terminate with the entry of final judgment OR with entry of an Order converting the chapter 11 case to a case under any other chapter of the Bankruptcy Code OR to an Order appointing a Trustee, unless extended by mutual agreement between us in writing. The Firm specifically has the Client's permission to file any necessary documents with the Court to withdraw from representing the Client in this matter upon the termination of this agreement.

The Client, by signing this Retainer Agreement and Fee Schedule, and engaging the services of the Firm, represents to the Firm that all possible alternatives have been considered and that the Client is certain that the Firm's legal services are desired at this time. Alternatively, the Client represents that a definite decision to retain the Firm has been made to protect the Client's legal interests against actual or potential action by another party against the Client.

**2. PAYMENT FOR SERVICES.**

***The client agrees to pay a retainer to the FIRM in the amount of \$3,000 to analyze a prosecutive case filing. This amount shall be deemed EARNED ON RECEIPT but actual time spent shall be tracked and time records submitted to the Bankruptcy Court for ultimate approval.***

*Upon the decision to file to Chapter 11, the Client agrees to pay an additional retainer to the FIRM in the amount of \$12,000 out of which the filing fee shall be paid to the US Bankruptcy Court and the remainder shall be deemed EARNED ON RECEIPT subject to ultimate approval by the Bankruptcy Court. The balance of the funds shall be retained in the FIRM'S Client Trust Account and held there pending authorization of the Court.*

*The Client agrees to pay the FIRM for all work performed and understands that in cases like these the exact fee cannot be predicted with a high level of certainty. That being said it is not unusual in cases like these for attorney fees to range between \$40,000 and \$75,000.*

The Client understands that if authorized by the Court to make regular trust deposits, then if the Client fails to make one payment to the Firm, the Firm has the right to file a motion to withdraw from representing the Client in this matter.

**The Client understands the Firm has not accepted his case, and will not act as the Client's attorney until the Client has signed this agreement and paid the retainer detailed above.**

The Client agrees to pay the Firm for legal services at the following rates, which are subject to increases on or around the 1st day of January of each year. Client agrees that rate increases of 5% do not require advance notice and are deemed reasonable but that rate increases above 5% do require advance notice to Client:

Attorneys

<b>Michael O'Brien</b>	<b>\$355.00 per hour</b>
<b>Theodore J. Piteo</b>	<b>\$300.00 per hour</b>

Staff

<b>Law Clerks</b>	<b>\$160.00 per hour</b>
<b>Senior Paralegal</b>	<b>\$165.00 per hour</b>
<b>Paralegal</b>	<b>\$125.00 per hour</b>
<b>Support Staff</b>	<b>\$60.00 - \$100.00 per hour</b>

Any and all travel time will be billed at one-half of the above rate even if such travel time is within the city to the client's place of business or to Court.

The Firm will track its time spent working on the Client's matter and will bill for actual time spent on each task subject to a minimum time increment of one-tenth of one hour. Thus, reviewing a client email or phone message will be billed at .1/hour and responding to a client email or phone message will be billed at .1/hour.

The Firm will charge Client for the following services: consultations and telephone calls with Client; consultations and telephone calls with witnesses, other lawyers, or any other person associated with Client's case; legal research; drafting and preparing legal documents; drafting and preparing letters; depositions; trial preparation; travel time; investigation; court appearances; and all other necessary services.



Client agrees to pay all costs incurred by the Firm, including but not limited to filing fees, service fees, court reporter fees for depositions and hearings, trial court fees, excessive photocopying costs, long-distance telephone calls, excessive postage, witness fees, mileage fees, and other necessary court and office costs. The Firm may notify Client of future costs and Client will pay those costs to the Firm at least 10 days before the costs are incurred.

The Client agrees to pay to the Firm, in addition to any fee charged, all out-of-pocket costs incurred by the Firm on the Client's behalf or in connection with the Client's case. The Client understands that costs may include such things as filing and trial fees, photocopy charges at the rate of .15/page, long distance telephone charges, long distance facsimile expenses, service fees, appraisal fees, investigation and deposition costs, witness fees, and any other costs deemed necessary by the Firm. If traveling outside the Portland Metropolitan Area is required, then the Client agrees to pay all travel expenses, including mileage, hotel, and per diem. The Client understands that the Client is responsible for all fees charged by other professionals for work on the Client's case. The Client will pay those fees as agreed, and the Firm is not liable as the Client's agent.

The Firm will not be obligated to complete the work for Client or on Client's case and may withdraw or, if necessary, seek leave to withdraw as Client's counsel at any time if Client fails to meet the financial agreements set forth in this document. The Firm also may withdraw or, if necessary, seek leave to withdraw as Client's counsel if Client fails to cooperate with the Firm on Client's case, is dishonest with the Firm or as otherwise permitted by the Oregon State Bar Rules of Professional Conduct. If a motion for leave to withdraw is necessary, written notice of the motion will be sent to Client's last-known mailing address.

The Client agrees to fully cooperate with the Firm and others working on my case. The Client will keep the Firm advised of all matters which may have a bearing on the case, be truthful with the Firm at all times, follow through with all agreements made with the Firm, keep appointments, give depositions, produce documents, respond promptly to the Firm's letters, appear for scheduled court appearances, **and keep the Firm informed of any change of my address or telephone number** or employment within five days of the change. If the Client fails to appear at any given court hearing or trial, the Client authorizes the Firm to exercise discretion and proceed in whatever manner the Firm sees fit, to include any future obligations to appear in court for other court proceeding.

The Client authorizes and directs the Firm to take all actions that the attorney deems advisable on the Client's behalf. The Firm agrees to notify the Client promptly of all significant developments and to consult with the Client in advance as to any significant decision attendant to those developments and will also keep the Client advised of any court appearances that may ensue.

Furthermore, the Firm will conduct such meetings or telephone discussions with the Client as may be required to keep the Client advised of such developments and will render such legal advice as necessary to permit the Client to make informed decisions with respect to settlement issues, including an assessment of the risk which is inherent in litigation.

The Firm agrees to provide conscientious, competent, and diligent services, and will seek to achieve a resolution of the matter that is just and reasonable for Client. However, the Firm cannot and does not guarantee a result or final outcome of any case and the Firm has made no representation and makes no guarantee regarding the final result or outcome of this case.

Any unused portion of the retainer will be returned to Client at the end of the case.

**3. CONTACT WITH THE CLIENT.**

Every reasonable effort will be made to keep the Client informed on the status of the case. It is the policy of the Firm to return phone calls and written correspondence within 48 hours, and to return emails within 24 hours during normal workweeks. Calls and emails made to the Firm on weekends or holidays will be returned by the Firm within 72 hours upon return to the office.

The firm will use email to communicate with the Client. The preferred form of communication with your attorney/paralegal is by email. Please try to use email communication as much as possible. If you do not wish the firm to communicate with you through email, please place your initials in the space provided and we will communicate with you through phone and regular mail only. If you would like the Firm to communicate with you via email, please initial below and provide your email address.

\_\_\_\_\_ Please do not use email to communicate with me.

X I authorize the Firm to communicate with me and send me bills via email. My preferred Email Address for this is: lorenalowell@gmail.com

**4. THE CLIENT'S RIGHT TO CANCEL AGREEMENT AT ANY TIME.**

The Client may discharge the Firm for any cause on telephone notice followed by written notice either from Client or a new attorney who Client chooses to hire. Client may secure additional copies of Client's file at any time on payment to the Firm of any balance owing on all fees and costs, including the costs of photocopying Client's file. Photocopying charges are at a rate of .15 per page.

**5. RECORD RETENTION.**

Unless other arrangements are made, it is the policy of the Firm to maintain all records for a period of five years after closing of the case by the attorney. After five years the Firm may destroy the Client's file via secure shredding. It is incumbent upon you, the Client, to maintain your copy of the file or to request a copy of the file prior to the expiration of five years. This is your only notice of the Firm's record retention policy and, after expiration of five years, you will not be notified in advance of record destruction.

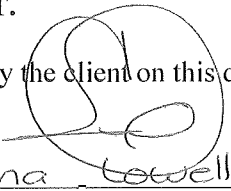
**6. CLOSING.**

Time is of the essence in this Agreement. Any modification of this Agreement will be binding only if made in writing and signed by both parties.

The Client acknowledges that he/she is free to review this Agreement with another attorney before signing it, and that the Client did not sign this Agreement without first being afforded the opportunity to seek independent legal advice.

THE CLIENT HAS READ THIS AGREEMENT CONSISTING OF FIVE PAGES. THE CLIENT HAS RECEIVED A COPY OF IT, AND AGREES TO THE TERMS AND CONDITIONS AS STATED. THERE ARE NO VERBAL AGREEMENTS BETWEEN CLIENT AND THE FIRM MODIFYING OR EXPANDING THE TERMS OF THIS AGREEMENT.

Signed below by the client on this date: \_\_\_\_\_

By:  Lorena Lowell, Managing Member  
Client Lowell & Sons, LLC

220 Clearwater Ln  
Address

Home Phone

Head River OR 97031  
City, State, Zip

Work Phone

541 806 8525  
Cell Phone

Alternative Cell Phone

In re Lowell & Sons, LLC

Case No. 16-33707-tmb11

**CERTIFICATE OF SERVICE**

I hereby certify that on September 27, 2016, I served the foregoing “**Application for Employment of Attorneys for Debtor in Possession**” on the following parties by mailing to each at the address below in a sealed envelope, with postage prepaid, and deposited in the United States Post Office:

**See Attached Mailing Label List**

I further certify that the following person(s) will be served electronically via ECF when the foregoing document is filed with the court:

THEODORE J PITEO on behalf of Debtor Crimson Investment Group, LLC  
[ted@pdxlegal.com](mailto:ted@pdxlegal.com), [enc@pdxlegal.com](mailto:enc@pdxlegal.com); [hugo@pdxlegal.com](mailto:hugo@pdxlegal.com); [reception@pdxlegal.com](mailto:reception@pdxlegal.com); [seven@pdxlegal.com](mailto:seven@pdxlegal.com)

US Trustee, Portland  
[USTPRegion18.PL.ECF@usdoj.gov](mailto:USTPRegion18.PL.ECF@usdoj.gov)

/s/Hugo Zollman  
\_\_\_\_\_  
Paralegal  
Michael D. O’Brien & Associates, P.C.  
Of Attorneys for Debtor

Label Matrix for local noticing  
0979-3  
Case 16-33707-tmb11  
District of Oregon  
Portland  
Tue Sep 27 15:50:17 PDT 2016

Farmers Insurance  
c/o Michelle Jaspersen, Agent  
218 E. Jewett Blvd  
White Salmon, WA 98672-3000

Hood River CPAs  
1503 13th St.  
Hood River, OR 97031-2195

Internal Revenue Service  
Bankruptcy Notices  
PO Box 7346  
Philadelphia, PA 19101-7346

Lorena Lowell  
220 Clearwater Lane  
Suite D  
Hood River, OR 97031-1287

Mid Columbia Economic Dev District  
c/o Annala, Carey, Baker, Thompson & Van  
305 Cascade St.  
PO Box 325  
Hood River, OR 97031-0011

Pyramid Property Management, LLC  
3 Hotspur St.  
Lake Oswego, OR 97035-1921

Thomas Lowell  
PO Box 2552  
White Salmon, WA 98672-2521

THEODORE J PITEO  
Michael D. O'Brien & Associates  
12909 SW 68th Pkwy  
Suite 160  
Portland, OR 97223-8399

Lowell & Sons, LLC  
220 Clearwater Lane  
Hood River, OR 97031-1287

Frank Construction Company  
c/o Paul Frank, President  
8028 NE Glisan, Suite C  
Portland, OR 97213-7000

Hood River Hostel  
220 Clearwater Ln.  
Hood River, OR 97031-1287

Joe Field  
621 SW Morrison St., Suite 1225  
Portland, OR 97205-3863

Mark Stoker  
Heurlin, Potter, Jahn, Leatham, Holt Sto  
211 E. McLoughlin Blvd  
Vancouver, WA 98663-3368

NW Gourmet Foods, LLC  
PO Box 457  
Hood River, OR 97031-0015

Riverview Community Bank  
900 Washington  
Suite 900  
Vancouver, WA 98660-3455

Tim Doty  
6222 E. Mercer Way  
Mercer Island, WA 98040-5129

End of Label Matrix  
Mailable recipients 24  
Bypassed recipients 0  
Total 24

1001 SW 5th Ave #700  
Portland, OR 97204-1141

Gil Sharp  
205 3rd St.  
Hood River, OR 97031-2011

Hood River Hostel/NWGF  
220 Clearwater Ln.  
Suite A  
Hood River, OR 97031-1287

Law Office of Katelyn D. Skinner, LLC  
22566 SW Washington St., Suite 203  
Sherwood, OR 97140-7923

Martin & Kathleen Sanders  
3 Hotspur St.  
Lake Oswego, OR 97035-1921

Oregon Department Of Revenue  
Bankruptcy Notice Dept.  
955 Center Street, NE  
Salem, OR 97301-2555

Steve Morgan  
504 Cascade  
Hood River, OR 97031-2088

US Trustee, Portland  
620 SW Main St #213  
Portland, OR 97205-3026